

Form 3160-3 (July 1992)

D

FORM APPROVED

OMB NO. 1040-0136

| UNITED STATES | SUBMIT IN TRIPLICATE* | Expires. 1 ebidally 20, 1885 |
|---------------------------------|-----------------------|--------------------------------------|
| DEPARTMENT OF THE INTERIOR | | 5. LEASE DESIGNATION AND SERIAL NO |
| BUREAU OF LAND MANAGEMENT | | UTU-65276 |
| | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| PLICATION FOR PERMIT TO DRILL (| OR DEEPEN | N/A |

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| TYPE OF WORK | . = | | DEEDEN [| | 7. UNIT AGREEMENT NAM | | | |
| DRIL | .L 🗹 | | DEEPEN 🗆 | | N _i | | | |
| TYPE OF WELL | | | | | 8. FARM OR LEASE NAME | E, WELL NO. | | |
| | 2 | SINGLE | MULTIPLE | | | | | |
| OIL WELL GAS | WELL OTHER | ZONE | ZONE | | GB 8ML | -17-8-22 | | |
| 2. NAME OF OPERAT | OR | | Contact: Jan Nels | son | 9.API NUMBER: | | | |
| | UINTA BASIN, INC. | | | an.nelson@questar.com | | 17.37995 | | |
| 3. ADDRESS | , | * | Telphone number | • | 10. FIELD AND POOL, OR | | | |
| | 500 S. Vernal, Ut 84078 | | • | 781-4331 Fax 435-781-4323 | -450 | WC.18, 15 | | |
| | LL (Report location clear | ly and in a | | | 11. SEC.,T, R, M, OR BLK | & SURVEY OR AREA | | |
| At Surface 6 3 160 | • • • | - | SENE, SECTION 17 | | The OLO., I, IV, III, OK DEK | a conver on anda | | |
| | | | | -109.455472 | SEC 17 TOS 1 | DOOR MOT SI B | | |
| At proposed produc | Ţ | - | | 104. 433472 | SEC.17, T8S, I | | | |
| | ES FROM NEAREST TOV | VN OR PO | STOFFICE. | | 12. COUNTY OR PARISH | ! | | |
| 25 + / - SOUTHEAST (| | _ | | 16.NO.OF ACRES IN LEASE | Uintah 17. NO. OF ACRES ASSIG | UT NED TO THIS WELL | | |
| | PROPOSED LOCATION | TO NEARE | ST | 16.NO.OF ACRES IN LEASE | 17. NO. OF ACRES ASSIG | NED TO THIS WELL | | |
| PROPERTY OR LEA (also to nearest drig | · | | | 400.00 | | • | | |
| - | g,unit mie it any) | | | 480.00 | 4 | U | | |
| 462' + / - | | | <u>.</u> | | | | | |
| | PROPOSED location to n | earest we | ll, drilling, | 19. PROPOSED DEPTH | 20. BLM/BIA Bond No. on ESB000024 | tile | | |
| completed, applied fo | or, on this lease, it | | | 11325' | E3B000024 | | | |
| 2000' +/- | | | | | | | | |
| • | ow whether DF, RT, GR, | ect.) | | 22. DATE WORK WILL START | 23. Estimated duration | | | |
| 4968.5' GR | | ο. | | ASAP | 15 days | | | |
| 24. Attachments | | | | | | | | |
| | | | | | | | | |
| The following,comple | ted in accordance with t | he requirm | ents of Onshore O | il and Gas Order No. 1, shall be a | ttached to this form: | | | |
| 1. Well plat certified by a | registered surveyor. | | | 4. Bond to cover the operations unless | covered by an exisiting bond o | n file (see | | |
| A Drilling Plan | | | | Item 20 above). | | | | |
| A surface Use Plan (if | location is on National Fores | st System La | ınds, | 5. Operator certification. | | | | |
| the SUPO shall be filed | d with the appropriate Forest | Service Offi | ce). | 6. Such other site specific information and/or plans as may be required by the | | | | |
| | | | | authorized officer. | | | | |
| 2 | | | | | | | | |
| | | | | | | | | |
| 1 | 16 | _ | | | | | | |
| SIGNED | my 415 | D()_ | Name (printed/type | ed) Jan Nelson | DATE | 4-3-06 | | |
| TITLE // Regu | ı · ılatory Affairs | | | | | | | |
| V —— | | | | | | | | |
| (This space for Federal or Stat | te oπice use) | | | | | | | |
| PERMIT NO | 3047-37445 | | APPROVA | L DATE | | | | |
| | , , , , | | | | | | | |
| CONDITIONS OF APPROX | AAL IF ANY: | | DD A | DIEVOLUIT | | | | |
| 12 / | (1/1/101 1/1) | | DHA | DLEY G. HILL | | nd in a | | |
| APPROVED BY | LLINN | | TITLE ENVIRO | NMENTAL MANAGER | DATE | 04-17-86 | | |

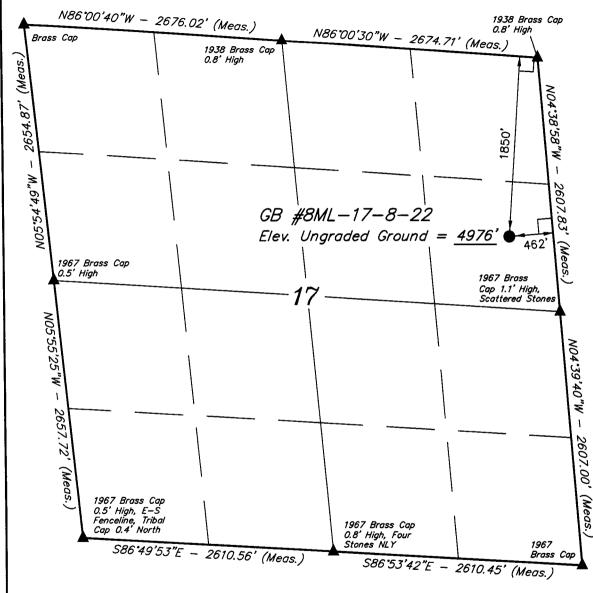
*See Instructions On Reverse Side

Federal Approval of this Action is Necessary

RECEIVED APR 1 0 2006

DIV. OF OIL, GAS & MINING

T8S, R22E, S.L.B.&M.



(NAD 83)

LATITUDE = $40^{\circ}07'31.31''$ (40.125364)

LONGITUDE = $109^{\circ}27'22.30''$ (109.456194)

(NAD 27)

= PROPOSED WELL HEAD.

= 90° SYMBOL

LEGEND:

LATITUDE = $40^{\circ}07'31.44''$ (40.125400)

= SECTION CORNERS LOCATED. LONGI

LONGITUDE = $109^{27}19.83$ " (109.455508)

QUESTAR EXPLR. & PROD.

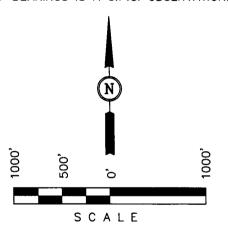
Well location, GB #8ML-17-8-22, located as shown in the SE 1/4 NE 1/4 of Section 17, T8S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ABE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BESTER.

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

| SCALE 1" = 1000' | DATE SURVEYED: DATE DRAWN: 03-02-06 03-03-06 |
|-------------------------|--|
| PARTY D.A. C.F. L.K. | REFERENCES G.L.O. PLAT |
| WEATHER COLD | PILE QUESTAR EXPLR. & PROD. |

Additional Operator Remarks

QEP Uinta Basin, Inc. proposes to drill a well to 11325' to test the MesaVerde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements"

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

See attached Onshore No. 1

Please be advised that QEP Uinta Basin Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is QEP Uinta Basin Inc. via surety as consent as provided for the 43 CFR 3104.2.

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

| Formation | Depth | Prod. Phase Anticipated |
|-------------|---------|-------------------------|
| Uinta | Surface | |
| Green River | 2866' | |
| Wasatch | 6026' | Gas |
| Mesa Verde | 8896' | |
| Sego | 11166' | |
| TD | 11325' | |

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

| Substance | Formation | Depth | |
|-----------|------------|--------|--|
| Oil/Gas | Mesa Verde | 11325' | |

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash water right #49-2153 to supply fresh water for drilling purposes.

All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

3. Operator's Specification for Pressure Control Equipment:

- A. 5,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, (or 70% of burst whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 5M system and individual components shall be operable as designed.

4. Casing Program

| | Depth | Hole Size | Csg Size | <u>Type</u> | Weight |
|------------|--------|-----------|----------|-------------|-----------------------|
| Surface | 700' | 12 1/4" | 9-5/8" | J-55 | 36 lb/ft (new) LT&C |
| Production | 2325' | 7 -7/8" | 4 -1/2" | P-110 | 11.60 lb/ft (new LT&C |
| TD | 11325' | 7 –7/8" | 4 –1/2" | M-80 | 11.60 lb/ft (new)LT&C |

5. Auxiliary Equipment

- A. Kelly Cock yes
- B. Float at the bit no
- C. Monitoring equipment on the mud system visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor yes
- E. Rotating Head yes

 If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').

- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

- 6. Testing, logging and coring program
 - A. Cores none anticipated
 - B. DST none anticipated

Logging – Mud logging – 4500 to TD GR-SP-Induction Neutron Density MRI

C. Formation and Completion Interval: Wasatch / Mesa Verde interval, final determination 0f completion will be made by analysis of logs.
 Stimulation – Stimulation will be designed for the particular area of interest as encountered.

7. <u>Cementing Program</u>

| Casing | <u>Volume</u> | Type & Additives |
|---------|---------------|---|
| Surface | 399sx | Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Cement to surface with 160 cf (1541sx) calculated. Tail plug used. Allowed to set under pressure |

Production Lead-660sx* Lead/Tail oilfield type cement circulated in place.

Tail-1747sx* Tail slurry: Class "G" + gilsonite and additives and additives are slightly and additives are slightly as a slightly and additives are slightly as a slightly and additives are slightly as a slightly as a slightly are slightly as a slightly are slightly as a slightly as a slightly are slightly as a slightly as a slightly are slightly as a slig

Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Tail

to 5526' (±500' above production zone).

Cement Characteristics:

Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Lead to surface. Tail plug used. Allowed to set under pressure.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H2S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 4911.0 psi. Maximum anticipated bottom hole temperature is 140° F.

^{*}Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

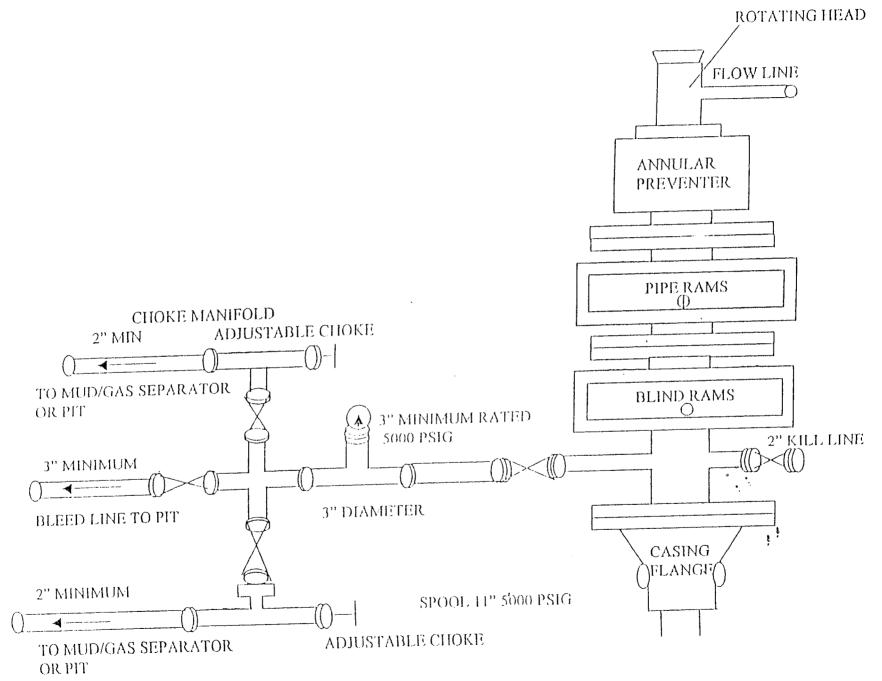


EXHIBIT B CONTINUED

REMOTELY OPERATED VALVE
SEQUENCE OPTIONAL

ADJUSTABLE
CHOICE

TO THE CONTRACT OF THE CONTRACT OF THE CHOICE OF THE

The choke manifold equipment - configuration of chokes may vary

[FR Doc. 88-20738 Filed 11-17-88; 8:45 am] males cook 4316-86-6 QEP UINTA BASIN, INC.
GB 8ML-17-8-22
1850' FNL 462' FEL
SENE, SECTION 17, T8S, R22E
UINTAH COUNTY, UTAH
LEASE # UTU-65276

ONSHORE ORDER NO. 1

MULTI - POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the GB 8ML-17-8-22 on March 28, 2006. Weather conditions were cold and clear at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buhler Bureau of Land Management Amy Torres Bureau of Land Management

Jan Nelson QEP Uinta Basin Inc.

1. Existing Roads:

The proposed well site is approximately 25 miles southeast of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 - mile radius.

There will be no improvements made to existing roads.

2. Planned Access Roads:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Refer to Topo Map D for the location of the proposed pipeline.

QEP requests a surface pipeline based on the following justification included in the attached "Request for Exception".

5. Location and Type of Water Supply:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

6. Source of Construction Materials:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

7. Methods of Handling Waste Materials:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

8. Ancillary Facilities:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

10. Plans for Reclamation of the Surface:

Please see QEP Uinta Basin, Inc. Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Interim Reclamation

Please see attached Interim Reclamation plan.

Once the well is put onto production, QEP will reclaim as much of the well pad as possible that will allow for operations to continue in a safe and reasonable manner. Reseeding will be done in the spring or fall of every year to allow winter precipitation to aid in the succuss of reclamation.

Seed Mix:

Interim Reclamation:
6 lbs Hycrest Crested Wheatgrass
6 lbs Needle & Thread Grass
Final Reclamation:

Seed Mix # 2 3 lbs. Western Wheat Grass, 3 lbs. Needle & Thread Grass, 2 lbs. Fourwing Saltbush 1 lb. Globe Mellow and 4 lbs. Hycrest Crested Wheat

11. Surface Ownership:

Bureau of Land Management 170 South 500 East Vernal, Utah 84078 (435) 781-4400

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

A class III paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted directly to the appropriate agencies by Stephen D. Sandau. The inspection resulted in the location of no fossil resources. However, if vertebrate fossil(s) are found during construction a paleontologist should be immediately notified. QEP will provide paleo monitor if needed.

QEP Uinta Basin, Inc. Request for Exception to Buried Pipeline for GB 8ML-17-8-22

QEP respectfully requests an exception to burying this pipeline. We understand the standard Condition of Approval (COA) that may be included in the approved Application for Permit to Drill (APD) is: "As a Best Management Practice (BMP), the pipeline would be buried within the identified construction width of an access corridor that contains the access road and pipelines. The construction width for the access corridor would increase from 30 feet, by an additional 20 feet, to a total of 50 feet. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation." QEP will install the pipeline within the access corridor and will avoid cross-country installation when possible. Our reason for requesting a surface line is based on the following justification:

Class IV VRM

- This area's designated Visual Resource Management is classified as Class IV. The Class IV objective is to provide for management activities that require major modification to the existing character of the landscape. The level of change to the landscape can be high. The management activities may dominate the view and may be the major focus of the viewer attention. However, every attempt should be made to minimize the impact of these activities through careful location, minimal disturbance, and repetition of the basic visual elements of form, line, color, and texture.
- QEP feels that surface pipe will comply with this classification more so than buried pipe due to the amount of surface disturbance that will be required to bury it. We believe surface installation within the access corridor will minimize the disturbance so that the pipeline does not dominate the view.

Environmental and Safety Concerns

- Buried pipe will greatly increase surface disturbance and habitat fragmentation. The soil in this area has a poor history of successful rehabilitation. Buried pipe will have an increased corrosion rate and would need to be dug up for repairs or replacement; the constant surface disturbance will not allow time for successful reclamation.
- Increasing surface disturbance will greatly increase noxious and invasive weed infestation.

- With the increased corrosion rate, buried pipe may have undetectable leaks that could go unnoticed for months. Small leaks may turn into large plumes of underground hazards because they are not easily monitored and not seen right away. An undetected leak also increases the potential for explosive incidents. Once detected, the surface will need to be disturbed, once again, to dig up the line and replace or repair it.
- Accidents associated with pipe breaks during construction activities could increase substantially as the number of buried lines increases.
- The additional surface disturbance will increase the risk of disturbing paleontological sites.

Operational and Mechanical Concerns for Gas Lines

- Cathodic protection will be required for buried pipe. Cathodic protection requires anode beds that must be maintained. This will add substantial costs in labor and material. Additional power lines will need to be installed to the anode beds. The additional costs for equipment and labor will be approximately \$50,000.00 per section.
- Pipeline markers need to be used with buried pipe. This will add costs in labor and material.
- Every tie in requires a valve. The average distance between valves is approximately ¼ mile. Valves will have to be placed in "freeze boxes" or "valve boxes". Valve boxes will be considered confined space which increases the manpower needed to repair or replace valves. Every valve box will also require bright yellow guard rails.
- Additional equipment required for buried pipe can include blades/dozers, trenchers (cutting or blasting in hard rock), side booms, etc. which increases installation costs.
- Buried pipe must have fusion bonded epoxy (FBE) coating. FBE pipe will cost an additional \$2.00 per foot compared to bare pipe.
- This pipeline has the potential for being upgraded/upsized to a larger pipe diameter depending on production volumes. If upsizing is required, the pipe will need to be dug up which will cause additional surface disturbance and will not allow adequate time for successful reclamation.
- Surface lines are sometimes relocated to accommodate new locations; this is done in an effort to minimize the amount of pipe needed and the amount of surface disturbed. If this pipe is buried, this will no longer be an option.

Lessee's or Operator's Representative:

Jan Nelson Red Wash Rep. QEP Uinta Basin, Inc. 11002 East 17500 South Vernal, Utah 84078 (435) 781-4331

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Jan Nelson Date

Red Wash Representative

QUESTAR EXPLR. & PROD.

GB #8ML-17-8-22

LOCATED IN UINTAH COUNTY, UTAH SECTION 17, T8S, R22E, S.L.B.&M.

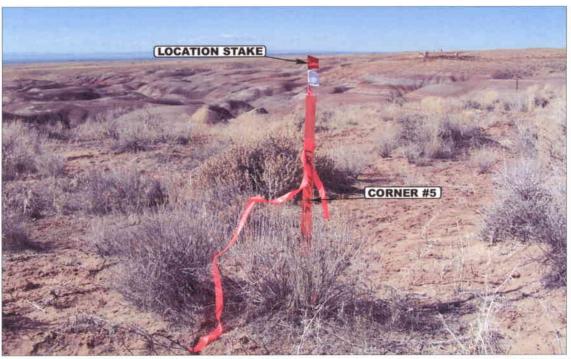


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

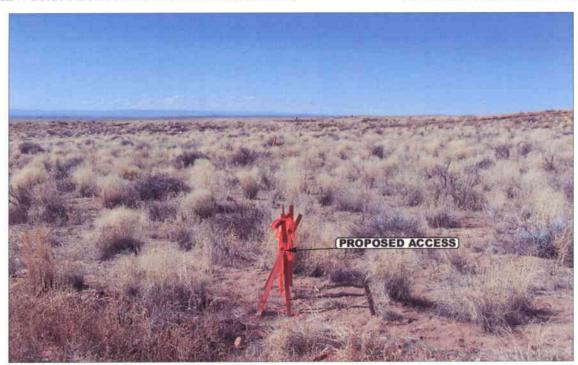


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



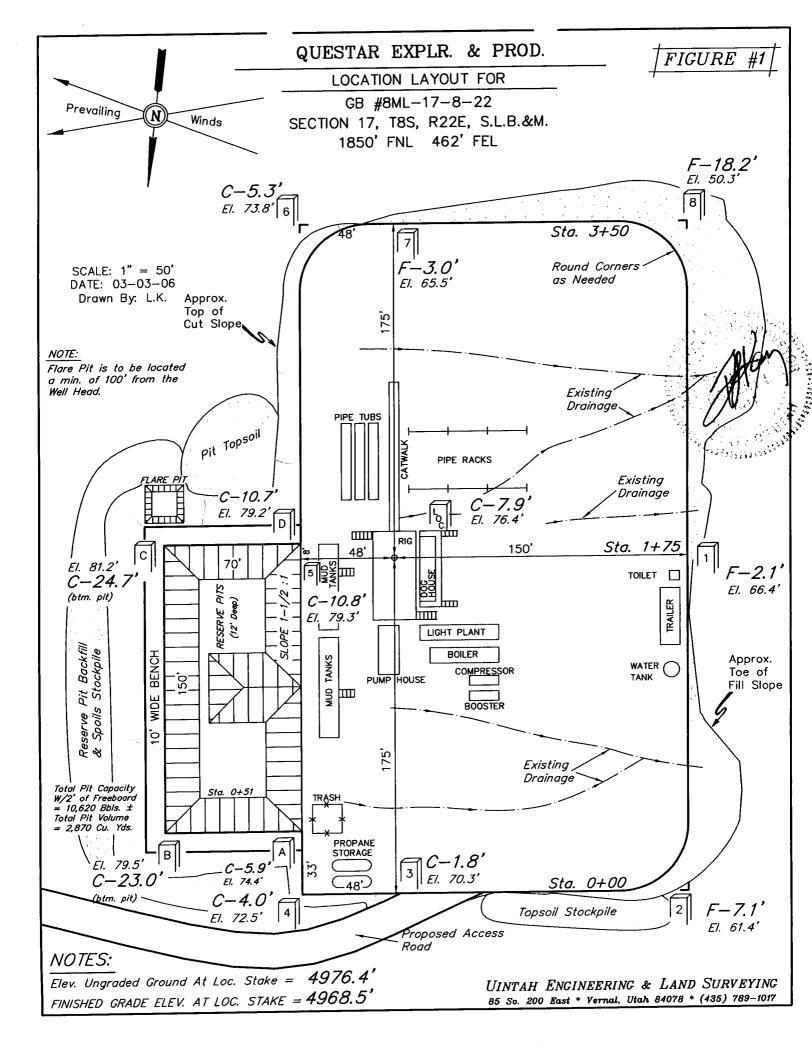
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

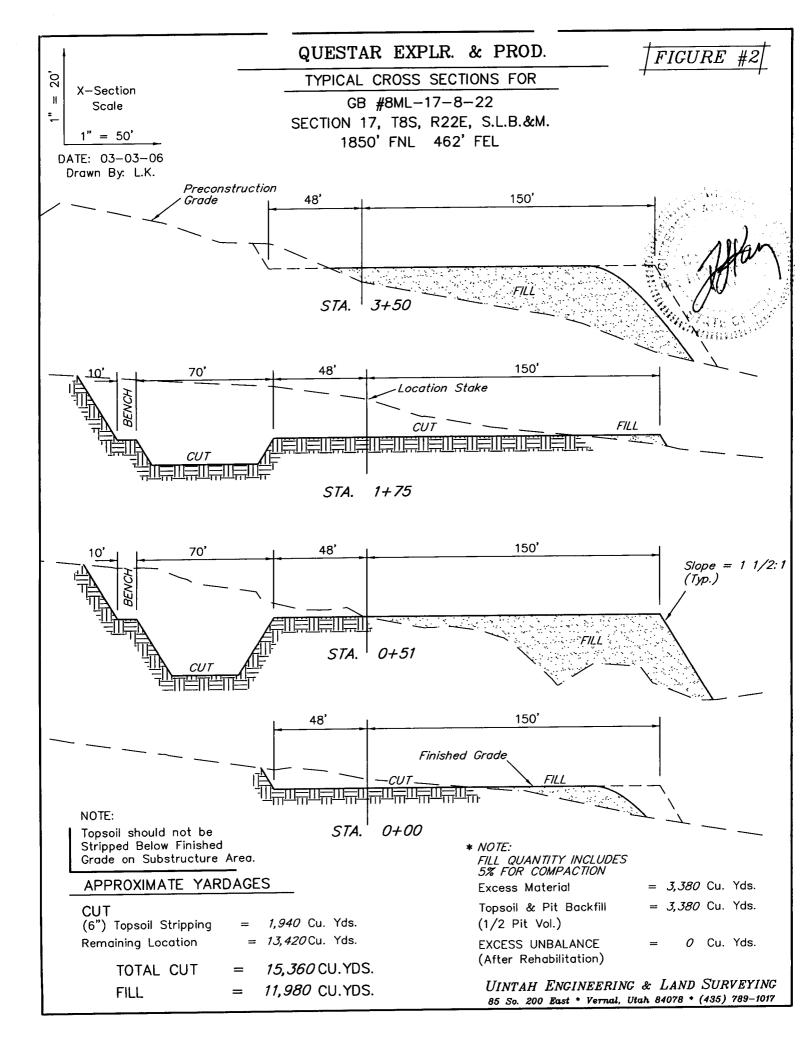
LOCATION PHOTOS

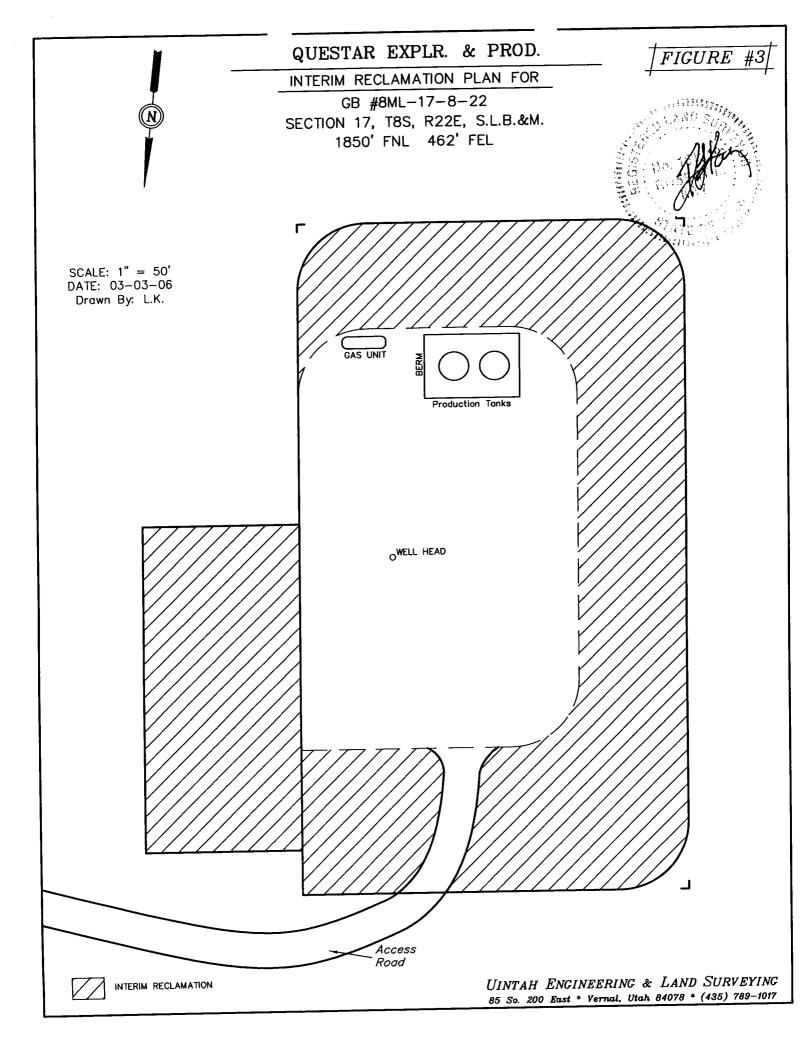
MONTH DAY YEAR

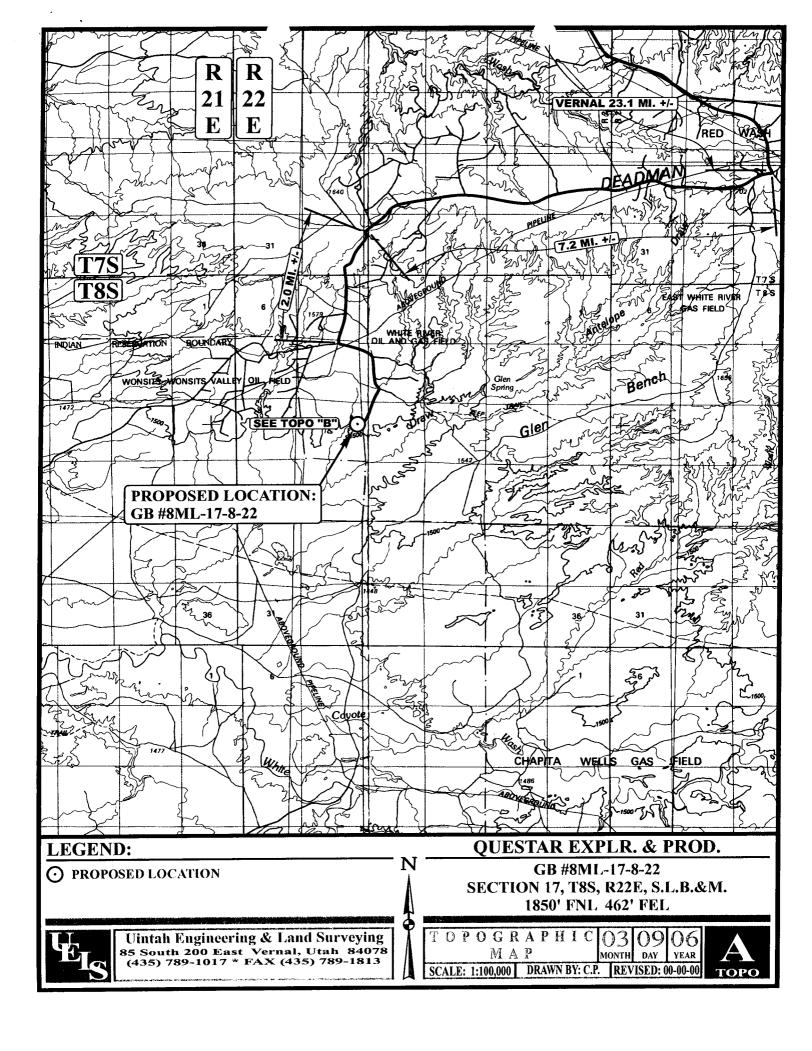
РНОТО

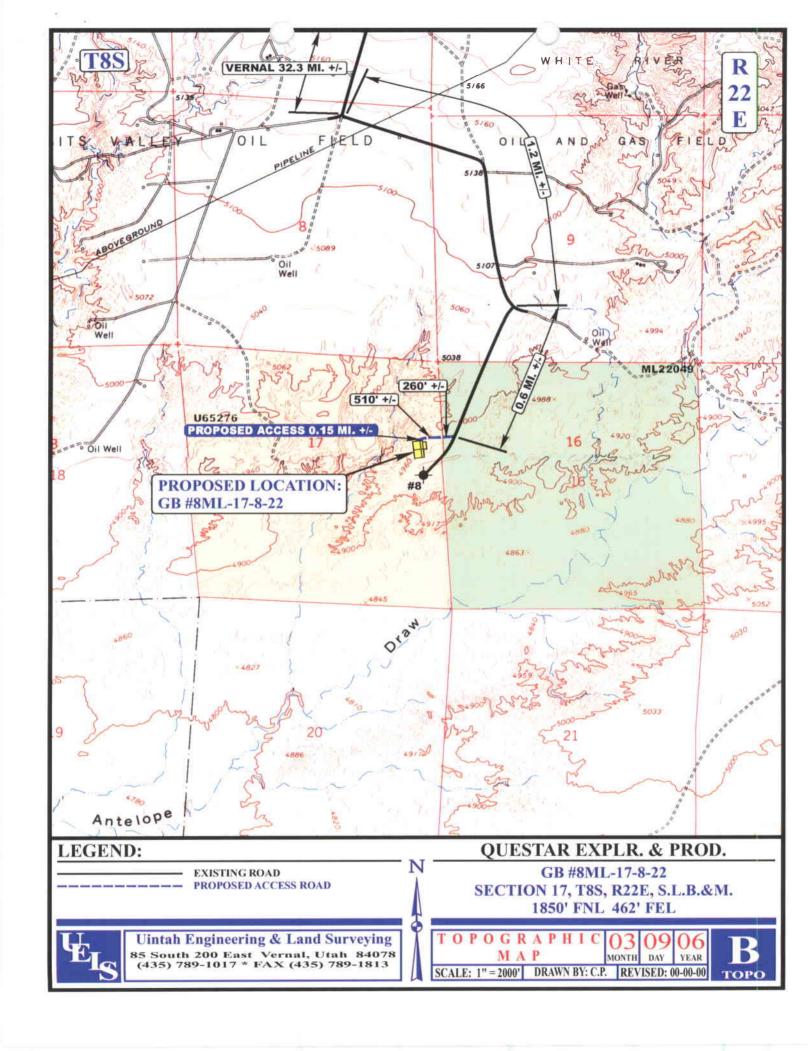
TAKEN BY: D.A. | DRAWN BY: C.P. | REVISED: 00-00-00

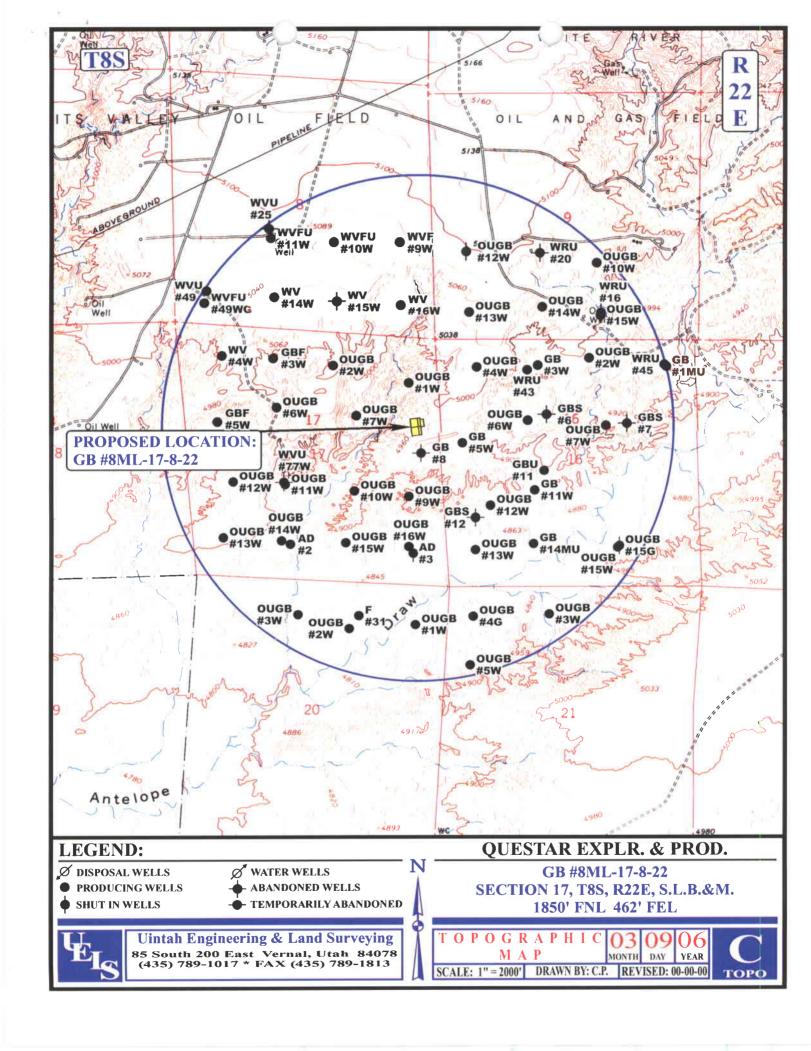


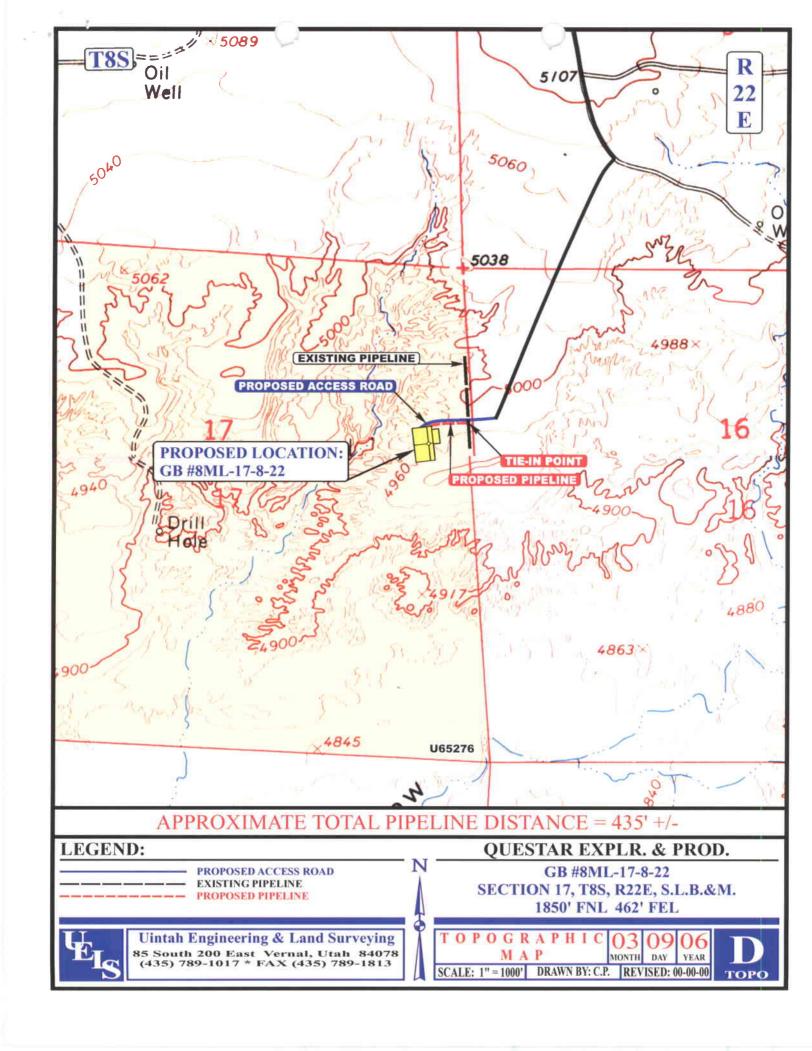






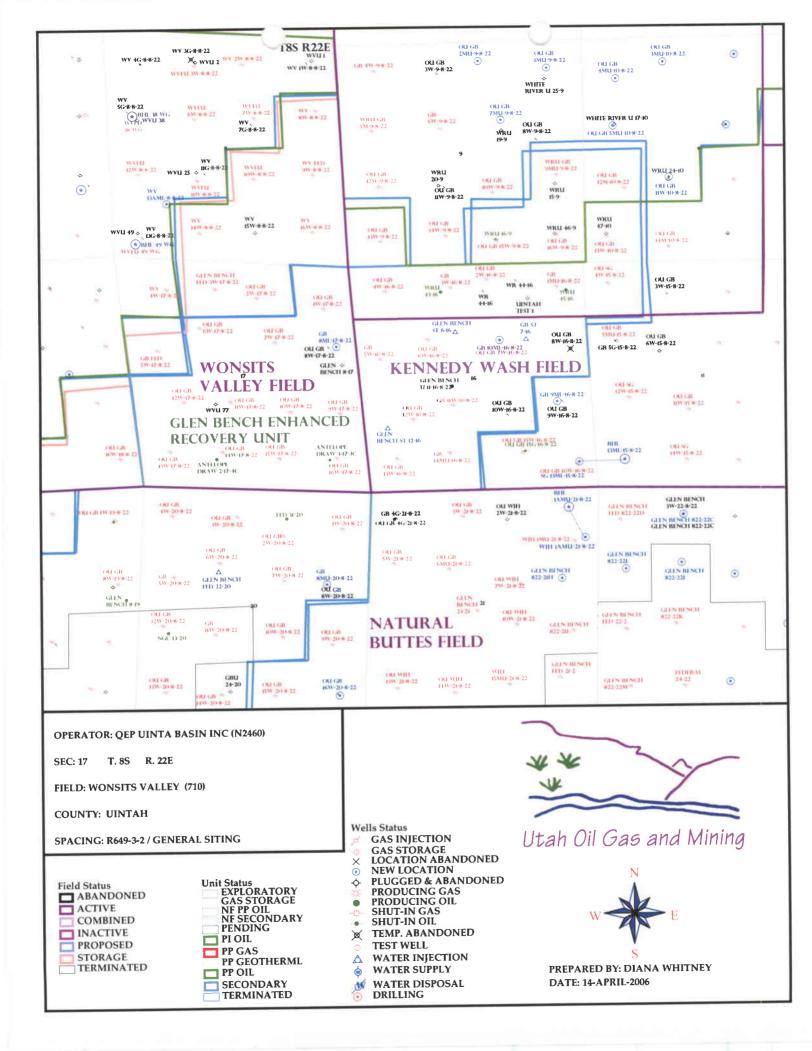






WORKSHEET APPLICATION FOR PERMIT TO DRILL

| APD RECEIVED: 04/10/2006 | | API NO. ASSIC | SNED: 43-047 | 7-37995 |
|---|--------------------------|---|-------------------------------|--------------|
| WELL NAME: GB 8ML-17-8-22 | | | | |
| OPERATOR: QEP UINTA BASIN, INC. (N2460) | | PHONE NUMBER: | 435-781-433 | 1 |
| CONTACT: JAN NELSON | | | | |
| PROPOSED LOCATION: | | INSPECT LOCATN | BY: / | / |
| SENE 17 080S 220E SURFACE: 1850 FNL 0462 FEL | | Tech Review | Initials | Date |
| BOTTOM: 1850 FNL 0462 FEL | | Engineering | | |
| COUNTY: UINTAH LATITUDE: 40.12543 LONGITUDE: -109.4555 | | Geology | | |
| UTM SURF EASTINGS: 631605 NORTHINGS: 44426 | 512 | Surface | | |
| FIELD NAME: WONSITS VALLEY (710 LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-65276 SURFACE OWNER: 1 - Federal | | PROPOSED FORMAT | |) |
| Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. ESB000024) Potash (Y/N) N Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-8496) RDCC Review (Y/N) (Date:) NN Fee Surf Agreement (Y/N) NN Intent to Commingle (Y/N) | R6 Unit: R6 Si R6 Dr B S | ON AND SITING: 549-2-3. GLEN BENCH ENH 549-3-2. General 549-3-3. Exception 6111ing Unit 60ard Cause No: 615 Date: 615 Date: 615 Date: 615 Date: | al r/Qtr & 920' Be tion | etween Wells |
| SCP. Separate Silverstations: 1. Lederate Street 2. Spacing Street | | | | |





State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

> JOHN R. BAZA Division Director

JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > April 17, 2006

OEP Uinta Basin, Inc. 11002 E 17500 S Vernal, UT 84078

Glen Bench 8ML-17-8-22 Well, 1850' FNL, 462' FEL, SE NE, Sec. 17, Re: T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37995.

Sincerely,

Gil Hunt

Associate Director

TIEZL

pab **Enclosures**

Uintah County Assessor cc:

Bureau of Land Management, Vernal District Office

| API Number: Lease: | 43-047- UTU-6: | | |
|-----------------------|-------------------|------------|-------------------|
| Location: SE NE | Sec17_ | T. 8 South | R. 22 East |

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Form 3160-3 (July 1992)

CONFIDENTIAL RECEIVED

APR 0 5 2006

FORM APPROVED

UTU-65276

OMB NO. 1040-0136

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Expires: February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO.

| | | | 6. IF INDIAN, ALLOTTEE C | OR TRIBE NAME |
|---|---------------------------------|---|---------------------------------|------------------|
| APPLICATION FOR PERMIT | TO DRILL OR | 出自事権 ZKIVAL, UTATI | N/. | Α |
| TYPE OF WORK | | | 7. UNIT AGREEMENT NAM | IE |
| DRILL 🗹 | DRILL ☑ DEEPEN □ | | | Α |
| TYPE OF WELL | | | 8. FARM OR LEASE NAME | , WELL NO. |
| | | | | |
| SINGLE | MULTIPLE ZONE | | GB 8ML | -17-8-99 |
| OIL WELL GAO WELL STREET | T | | 9.API NUMBER: | -17-0-22 |
| 2. NAME OF OPERATOR QEP UINTA BASIN, INC. | Contact: Jan Nels E-Mail: ja | on an.nelson@questar.com | 43:147: | 3799.5 |
| 3. ADDRESS | Telphone number | | 10. FIELD AND POOL, OR | WILDCAT |
| 11002 E. 17500 S. Vernal, Ut 84078 | Phone 435- | 781-4331 Fax 435-781-4323 | NATURAL | . BUTTES |
| 4. LOCATION OF WELL (Report location clearly and in a | ccordance with an | d State requirements*) | 11. SEC.,T, R, M, OR BLK | & SURVEY OR AREA |
| At Surface 1850' FNL 462' FEL S | SENE, SECTION 17 | , T8S, R22E | | |
| At proposed production zone SAME | | | SEC.17, T8S, I | R22E Mer SLB |
| 14. DISTANCE IN MILES FROM NEAREST TOWN OR PO | STOFFICE* | | 12. COUNTY OR PARISH | 13. STATE |
| 25 + / - SOUTHEAST OF VERNAL, UTAH | | | Uintah | UT |
| 15. DISTANCE FROM PROPOSED LOCATION TO NEAR | EST | 16.NO.OF ACRES IN LEASE | 17. NO. OF ACRES ASSIG | NED TO THIS WELL |
| PROPERTY OR LEASE LINE, FT. | | | | |
| (also to nearest drig,unit line if any) | | 480.00 | 4 | 0 |
| 462' + / - | | | | |
| 18.DISTANCE FROM PROPOSED location to nearest we | ell, drilling, | 19. PROPOSED DEPTH | 20. BLM/BIA Bond No. on | file |
| completed, applied for, on this lease, ft | | 11325' | ESB000024 | |
| 2000' +/- | | | | |
| 21. ELEVATIONS (Show whether DF, RT, GR, ect.) | | 22. DATE WORK WILL START | 23. Estimated duration | |
| 4968.5' GR | | ASAP | 15 days | |
| 24. Attachments | | | | |
| | | | | |
| The following, completed in accordance with the require | ments of Onshore C | | | |
| 1. Well plat certified by a registered surveyor. | | 4. Bond to cover the operations unless | covered by an exisiting bond of | on file (see |
| 2. A Drilling Plan | | Item 20 above). | | |
| 3. A surface Use Plan (if location is on National Forest System L | | 5. Operator certification. | | |
| the SUPO shall be filed with the appropriate Forest Service Of | fice). | 6. Such other site specific information | and/or plans as may be require | d by the |
| | | authorized officer. | | |
| \wedge | | | | |
| | | | | |
| | | | | |
| SIGNED AUVY 4 (USD) | Name (printed/typ | oed) Jan Nelson | DATE | 4-3-06 |
| | | | | |
| TITLE Regulatory Affairs | _ | R | RECEIVED | |
| (This space for Federal or State office use Accepted by the | | | 1014 0 3 000 | |
| (This space for Federal or State office use) Accepted 5 Utah Division of Mini | 1 ng | ı | NOV 0 7 2006 | |
| oil Gas allu iliini | ADDROV | AL DATE | | |
| PERMIT NO. OII, GAS CATE | NIA | DIV. OI | OIL, GAS & MINING | |
| CONDITIONS OF APPROVAL, IF THE RECORD O | T SHEET TO | | •••••••• | |
| CONDITIONS OF AFFROYAL, IF MINT | | istant Field Manager | | |
| APPROVED BY | | 2 Minoral Pagoures | DAT | 10-27-2006 |
| APPROVED DI | | ructions On Reverse Side | _ | |
| 0010 | | erson knowingly and willfully to make to any depa | | |

United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

MOTICE OF APPROV

CONDITIONS OF APPROVAL ATTACHED



API No:

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**



Cell: 435-828-4470

Cell: 435-828-7875

Cell: 435-828-3913

Cell: 435-828-4029

170 South 500 East

(435) 781-4400 **VERNAL, UT 84078**

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: QEP Uinta Basin, Inc. Well No:

GB 8ML-17-8-22

43-047-37995

Location: Lease No: SENE, Sec 17, T8S, R22E

UTU-65276

Office: 435-781-4490

Agreement: N/A

Petroleum Engineer: Petroleum Engineer: Supervisory Petroleum Technician: **Environmental Scientist: Environmental Scientist:** Natural Resource Specialist:

Natural Resource Specialist: Natural Resource Specialist: Natural Resource Specialist: After Hours Contact Number: 435-781-4513

Michael Lee Jamie Sparger Paul Buhler Karl Wright Holly Villa Melissa Hawk

Matt Baker

Charles Sharp Scott Ackerman Office: 435-781-4432 Office: 435-781-4502 Office: 435-781-4475 Office: 435-781-4484 Office: 435-781-4404

Office: 435-781-4476 Office: 435-781-4486 Office: 435-781-4437 Fax: 435-781-4410

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Paul Buhler)

Forty-Eight (48) hours prior to construction of location and access roads.

Location Completion (Notify Paul Buhler)

Prior to moving on the drilling rig.

Spud Notice (Notify Petroleum Engineer) Twenty-Four (24) hours prior to spudding the well.

Casing String & Cementing (Notify Jamie Sparger)

Twenty-Four (24) hours prior to running casing and cementing all casing strings

BOP & Related Equipment Tests (Notify Jamie Sparger)

Twenty-Four (24) hours prior to initiating pressure

First Production Notice (Notify Petroleum Engineer) Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

Page 2 of 6 Well: GB 8ML-17-8-22 10/25/2006

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

Conditions for Approval are in the APD or SOP

- The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

Page 3 of 6 Well: GB 8ML-17-8-22

10/25/2006

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Oil shall not be used in the water based mud system without prior approval. Written request for approval shall be required.
- Production casing cement top shall be at a minimum of 200' above the surface casing shoe.
- A CBL shall be run from TD to the surface casing shoe and a field copy shall be submitted to the BLM Vernal Field Office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

Page 4 of 6 Well: GB 8ML-17-8-22 10/25/2006

- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or
 workover equipment shall be removed from a well to be placed in a suspended status
 without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for
 more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and
 notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office
 on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well
 is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

Page 5 of 6 Well: GB 8ML-17-8-22 10/25/2006

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office
 Petroleum Engineers will be provided with a date and time for the initial meter calibration
 and all future meter proving schedules. A copy of the meter calibration reports shall be
 submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API
 standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - o Well name and number.
 - o Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - o Unit agreement and / or participating area name and number, if applicable.

Page 6 of 6 Well: GB 8ML-17-8-22 10/25/2006

o Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

| | ROUTING | |
|---|---------|--|
| | 1. DJJ | |
| ı | 2. CDW | |

| Change of Operator (Well Sold) | | | X - Opera | ator Nam | e Change/Me | rger | |
|---|----------------|----------|--------------------|----------------|-----------------|--------------|----------------|
| The operator of the well(s) listed below has change | ged, effectiv | e: | | , | 1/1/2007 | | |
| FROM: (Old Operator): | 11-1-1 | | TO: (New Or | erator): | | | |
| N2460-QEP Uinta Basin, Inc. | | | N5085-Questar | E&P Com | oany | | |
| 1050 17th St, Suite 500 | | | • | th St, Suite | • | | |
| Denver, CO 80265 | | | | CO 80265 | | | |
| | | | | | | | |
| Phone: 1 (303) 672-6900 | **** | | Phone: 1 (303) | 0/2-0900 | OI DN DENG | NET TIME | r . |
| CA No. | | | Unit: | I | GLEN BENC | | |
| | SEC TWN | RNG | | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
| SEE ATTACHED LISTS | | | * | | | | |
| OPERATOR CHANGES DOCUMENT | ATION | | | | | | |
| Enter date after each listed item is completed | AIION | | | | | | |
| 1. (R649-8-10) Sundry or legal documentation wa | s received fr | om the | FORMER one | rator on: | 4/19/2007 | | |
| 2. (R649-8-10) Sundry or legal documentation wa | | | = | | 4/16/2007 | , | |
| 3. The new company was checked on the Depart : | | | - | | | | 1/31/2005 |
| - · · | | mner ce | | _ | 764611-0143 | | |
| 4a. Is the new operator registered in the State of U | | | Business Numb | er: | 704011-0143 | | |
| 5a. (R649-9-2)Waste Management Plan has been re | | | IN PLACE | | | | |
| 5b. Inspections of LA PA state/fee well sites complete. | | | n/a | <u>-</u> | | | |
| 5c. Reports current for Production/Disposition & S | | | n/a | _ | | | |
| 6. Federal and Indian Lease Wells: The BL | M and or the | e BIA ł | nas approved the | merger, na | me change, | | |
| or operator change for all wells listed on Federa | al or Indian l | leases o | n: | BLM | 4/23/2007 | BIA | |
| 7. Federal and Indian Units: | | | | | | | |
| The BLM or BIA has approved the successor | of unit oper | ator for | r wells listed on: | | 4/23/2007 | | |
| 8. Federal and Indian Communization Ag | reements (| "CA" |): | | | | |
| The BLM or BIA has approved the operator if | for all wells | listed w | rithin a CA on: | | | - | |
| 9. Underground Injection Control ("UIC" |) | The Di | ivision has appro | oved UIC F | orm 5, Transfer | of Autho | ority to |
| Inject, for the enhanced/secondary recovery un | it/project for | r the wa | ater disposal wel | ll(s) listed o | n: | | _ |
| DATA ENTRY: | | | | | | | |
| 1. Changes entered in the Oil and Gas Database | on: | | 4/30/2007 and | 5/15/2007 | | | |
| 2. Changes have been entered on the Monthly Or | erator Cha | nge Sp | read Sheet on: | | 4/30/2007 and 5 | 5/15/2007 | • |
| 3. Bond information entered in RBDMS on: | | | 4/30/2007 and | 5/15/2007 | | | |
| 4. Fee/State wells attached to bond in RBDMS on | | | 4/30/2007 and | 5/15/2007 | | | |
| 5. Injection Projects to new operator in RBDMS of | | | 4/30/2007 and | | | | |
| 6. Receipt of Acceptance of Drilling Procedures f | or APD/Nev | v on: | | n/a | | | |
| BOND VERIFICATION: | | | | | | | |
| 1. Federal well(s) covered by Bond Number: | | | ESB000024 | - | | | |
| 2. Indian well(s) covered by Bond Number: | 117 \ 11 . | | 799446 | - | 0.55002022 | | |
| 3a. (R649-3-1) The NEW operator of any state/fe | | | - | | 965003033 | | |
| 3b. The FORMER operator has requested a releas | - | from th | neir bond on: | n/a | • | | |
| LEASE INTEREST OWNER NOTIFIC | | | | | | | |
| 4. (R649-2-10) The NEW operator of the fee wells | | | | - | om the Division | | |
| of their responsibility to notify all interest owner | rs of this cha | inge on | : | n/a | • | | |
| COMMENTS: THIS IS A COMPANY NAME OF | HANGE. | | | | | | |
| SOME WELL NAMES HA | | CHANC | SED AS REQU | IESTED | | | |

| Original Well Name | Well Name & No. | Q/Q | SEC | TWP | RNG | API | Entity | Lease | Well Type | Status |
|-------------------------|------------------|------|-----|------|------|------------|--------|---------|-----------|--------|
| GB 8D-20-8-22 | GB 8D-20-8-22 | SENE | 20 | 080S | 220E | 4304737665 | 15977 | Federal | GW | DRL |
| WHITE RIVER U 16-9 | WR 16-9 | SWSE | 09 | 080S | 220E | 4304715081 | 4915 | Federal | OW | S |
| GLEN BENCH 31-30 | GLEN BENCH 31-30 | NWNE | 30 | 080S | 220E | 4304731008 | 13727 | Federal | OW | P |
| NGC 13-20 | GB 13-20 | NWSW | 20 | 080S | 220E | 4304731355 | 13727 | Federal | OW | P |
| GLEN BENCH FED 22-20 | GB 22-20 | SENW | 20 | 080S | 220E | 4304731356 | | Federal | WI | A |
| FED 31-20 | GB 31-20 | NWNE | 20 | 080S | 220E | 4304731433 | 13727 | Federal | OW | P |
| ANTELOPE DRAW 2-17-4C | GB 2-17 | SESW | 17 | 080S | 220E | 4304731555 | 13727 | Federal | OW | P |
| ANTELOPE DRAW 3-17-3C | GB 3-17 | SESE | 17 | 080S | 220E | 4304731556 | 13727 | Federal | ow | S |
| GLEN BENCH 8-19 | GB 8-19 | SENE | 19 | 080S | 220E | 4304732476 | 13727 | Federal | OW | P |
| GLEN BENCH 4-30-8-22 | GB 4-30-8-22 | NWNW | 30 | 080S | 220E | 4304732755 | 13727 | Federal | OW | S |
| GLEN BENCH U 15-19-8-22 | GB 15-19-8-22 | SWSE | 19 | 080S | 220E | 4304732756 | 13727 | Federal | WI | A |
| OU GB 1G-19-8-22 | OU GB 1G-19-8-22 | NENE | 19 | 080S | 220E | 4304734696 | 13727 | Federal | OW | S |
| OU GB 2W-30-8-22 | GB 2ML-30-8-22 | NWNE | 30 | 080S | 220E | 4304735080 | 14816 | Federal | GW | P |
| GB 8ML-17-8-22 | GB 8ML-17-8-22 | SENE | 17 | 080S | 220E | 4304737995 | | Federal | GW | APD |
| WHITE RIVER U 43-16 | WR 43-16 | NENW | 16 | 080S | 220E | 4304731354 | 5170 | State | OW | S |
| WHITE RIVER U 45-16 | GB 45-16 | NENE | 16 | 080S | 220E | 4304731399 | 13727 | State | OW | P |
| GLEN BENCH ST 6-16 | GB 6-16 | SENW | 16 | 080S | 220E | 4304732549 | 13727 | | WI | A |
| GLEN BENCH ST 7-16 | GB 7-16 | SWNE | 16 | 080S | 220E | 4304732582 | 13727 | - | WI | A |
| GLEN BENCH ST 12-16 | GB 12-16 | NWSW | 16 | 080S | 220E | 4304732583 | 13727 | | WI | A |
| GLEN BENCH U 11-16-8-22 | GB 11-16-8-22 | NESW | 16 | 080S | 220E | 4304732857 | 13727 | | OW | P |
| GB 1MU-16-8-22 | GB 1MU-16-8-22 | NENE | 16 | 080S | 220E | 4304734656 | 14251 | | GW | P |
| OU GB 7W-16-8-22 | OU GB 7W-16-8-22 | SWNE | 16 | 080S | 220E | 4304734659 | 13747 | | GW | P |

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING

| DIVISION OF OIL, GAS AND MINING | | | | | Í | 5. LEASE DESIGNATION AND SERIAL NUMBER: see attached | | | |
|---|--|--|---|--|-----------------------------------|---|--|--|--|
| | SUNDRY | Y NOTICES AND | REPORT | S ON | WELL | S | | | IDIAN, ALLOTTEE OR TRIBE NAME: |
| Do | not use this form for proposals to drill n drill horizontal is | new wells, significantly deepen ex | lating wells below cu | rent bottom | n-hole depth, I | reenter plugged | wells, or to | | Tor CA AGREEMENT NAME: |
| | YPE OF WELL | | | form for suc | ch proposals. | | | see attached 8. WELL NAME and NUMBER: | |
| | OIL WELL | GAS WELL | _] OTHER_ | | | | | see attached | |
| | IAMÉ OF OPERATOR: UESTAR EXPLORATIO | NI AND PRODUCTI | | dV | | | | | NUMBER: |
| 3. A | DDRESS OF OPERATOR: | | ON COMITAI | ¥ (| PI | ONE NUMBER | : | | ELD AND POOL, OR WILDCAT: |
| | 50 17th Street Suite 500 CH | Denver | STATE CO ZIP | 80265 | i (| 303) 308- | 3068 | | |
| | OCATION OF WELL OOTAGES AT SURFACE: attach | ed | | | | | | COUNT | ry: Uintah |
| c | TR/QTR, SECTION, TOWNSHIP, RAN | IGE, MERIDIAN: | | | | | | STATE | : UTAH |
| 11. | CHECK APPR | ROPRIATE BOXES | TO INDICAT | E NAT | TURE OF | NOTICE | . REPOF | ₹T. O | R OTHER DATA |
| | TYPE OF SUBMISSION | | | | ************ | E OF ACTIO | | , - | |
| Z | NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: | ACIDIZE ALTER CASING CASING REPAIR | • | | EEPEN RACTURE TR EW CONSTRI | - | · | | REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL TEMPORARILY ABANDON |
| | 1/1/2007 | CHANGE TO PREVIOUS | S PLANS | ☐ OF | PERATOR CH | ANGE | | | TUBING REPAIR |
| · | | CHANGE TUBING | | PL | LUG AND ABA | NDON | | | VENT OR FLARE |
| | SUBSEQUENT REPORT (Submit Original Form Only) | CHANGE WELL NAME | | PL | LUG BAÇK | | | | WATER DISPOSAL |
| | Date of work completion: | CHANGE WELL STATU | S | PR | RODUCTION | START/RESUM | E) | | WATER SHUT-OFF |
| | | COMMINGLE PRODUCI | NG FORMATIONS | RE | ECLAMATION | OF WELL SITE | ! | V | отнея: Operator Name |
| | | CONVERT WELL TYPE | | RE | COMPLETE | DIFFERENT F | ORMATION | | Change |
| Eff AN ch on Fe Ut: Fe Cu att | ID PRODUCTION COM ange of operator is involute attached list. All operator Bond Number: 96 ah State Bond Number: e Land Bond Number: e Land Bond Number: arrent operator of record ached list. | operator of record, of PANY. This name of the same emperations will continu 35002976 (BLM Reference 965003033 9650030331, QEP UINTA BASIN ord, QUESTAR EXP | DEP Uinta Bachange Involves will de to be coverence No. E | asin, Inves onlicontinuered by SB000 B Ne AND Pon the | gns as o | ereafter bernal corporesponsible mbers: perator of cutive Viction CO | the properties of the properti | erties | as described on the REP Uinta Basin, Inc. by assumes all rights, duties |
| | E (PLEASE PRINT) Detora K. S | Stanberry | Sing | | TITLE . | Supervise 3/16/200 | | atory | Affairs |
| his sp | page for State use only) | ··· | | - | | | | | |

RECEIVED

APR 1 9 2007

FORM 9

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING

| DIVISION OF OIL, GAS AND MINING | 5. LEASE DESIGNATION AND SERIAL NUMBER: See attached |
|---|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 7. UNIT or CA AGREEMENT NAME: see attached |
| 1 TYPE OF WELL OIL WELL GAS WELL OTHER | 8. WELL NAME and NUMBER: See attached |
| 2. NAME OF OPERATOR: QUESTAR EXPLORATION AND PRODUCTION COMPANY | 9. API NUMBER: attached |
| 3 ADDRESS OF OPERATOR PHONE NUMBER: | 10. FIELD AND POOL, OR WILDCAT: |
| 1050 17th Street Suite 500 Denver STATE CO ZE 80265 (303) 308-3068 | |
| FOOTAGES AT SURFACE: attached | COUNTY: Uintah |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO | RT, OR OTHER DATA |
| TYPE OF SUBMISSION TYPE OF ACTION ACIDIZE DEFPEN | |
| NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start 1/1/2007 CHANGE TO PREVIOUS PLANS CHANGE TUBING CHANGE TUBING CHANGE WELL NAME CHANGE WELL STATUS PRODUCTION (START/RESUME) COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION PER THE ATTACHED LIST OF WELLS, QUESTAR EXPLORATION AND PRODUCTION (INDIVIDUAL WELL NAMES BE UPDATED IN YOUR RECORDS. | |
| NAME (PLEASE PRINT) Debra K. Stapberry TITLE Supervisor, Regulation 1997 4/17/2007 | latory Affairs |

RECEIVED
APR 1 9 2007



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155



IN REPLY REFER TO 3180 UT-922

April 23, 2007

Questar Exploration and Production Company 1050 17th Street, Suite 500 Denver, Colorado 80265

Re:

Glen Bench Enhanced Recovery Unit

Uintah County, Utah

Gentlemen:

On April 12, 2007, we received an indenture dated April 6, 2007, whereby QEP Uinta Basin, Inc. resigned as Unit Operator and Questar Exploration and Production Company was designated as Successor Unit Operator for the Glen Bench Enhanced Recovery Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective April 23, 2007. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Glen Bench Enhanced Recovery Unit Agreement.

Your nationwide oil and gas bond No. ESB000024 will be used to cover all federal operations within the Glen Bench Enhanced Recovery Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Greg J. Noble

Greg J. Noble Acting Chief, Branch of Fluid Minerals

Enclosure

bcc:

Field Manager - Vernal (w/enclosure)

SITLA

Division of Oil, Gas & Mining

File - Glen Bench Enhanced Recovery Unit (w/enclosure)

Agr. Sec. Chron Reading File

Central Files

UT922:TAThompson:tt:4/23/07

FIREVED

APR 3 0 2007

DIV. OF OIL, GAS & MINING



STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

| DIV | L. | E DESIGNATION AND SERIAL NUMBER: -65276 | | | | | |
|--|--------------------------------|---|--------------------------|-------------------------|---|--|--|
| SUNDRY N | 6. IF IND | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | | | | |
| Do not use this form for proposals to drill new w | 7. UNIT OF CA AGREEMENT NAME: | | | | | | |
| drill horizontal lateral | 8. WELL NAME and NUMBER: | | | | | | |
| OIL WELL | GAS WELL 🚺 OTHER _ | | | | GB 8ML-17-8-22 | | |
| 2. NAME OF OPERATOR: QEP UINTA BASIN, INC | | | | 9. API NI 4304 | umber: 737995 | | |
| 3. ADDRESS OF OPERATOR: | | | PHONE NUMBER: | 10. FIELI | D AND POOL, OR WILDCAT: | | |
| | YERNAL STATE UT ZIP | 84078 | (435) 781-4031 | NATURAL BUTTES | | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1850' FN | L 462' FEL | | | COUNTY | UINTAH | | |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, I | MERIDIAN: SENE 17 8S 2 | 22E | | STATE: UTAH | | | |
| 11. CHECK APPRO | PRIATE BOXES TO INDICAT | E NATURE | OF NOTICE, REPO | RT, OR | OTHER DATA | | |
| TYPE OF SUBMISSION | | ****** | YPE OF ACTION | | | | |
| ✓ NOTICE OF INTENT | ACIDIZE | DEEPEN | | | REPERFORATE CURRENT FORMATION | | |
| (Submit in Duplicate) | ALTER CASING | FRACTURE | TREAT | <u> </u> | SIDETRACK TO REPAIR WELL | | |
| Approximate date work will start: | CASING REPAIR | E TO PREVIOUS PLANS OPERATOR CHANGE E TUBING PLUG AND ABANDON | | | TEMPORARILY ABANDON | | |
| _ ا⊏ | CHANGE TO PREVIOUS PLANS | | | | TUBING REPAIR | | |
| | CHANGE TUBING | | | □ ' | VENT OR FLARE | | |
| SUBSEQUENT REPORT (Submit Original Form Only) | CHANGE WELL NAME | | | = | WATER DISPOSAL | | |
| Date of work completion: | CHANGE WELL STATUS | | ON (START/RESUME) | | WATER SHUT-OFF | | |
| | COMMINGLE PRODUCING FORMATIONS | | ION OF WELL SITE | | OTHER: APD EXTENSION | | |
| | CONVERT WELL TYPE | <u> </u> | TE - DIFFERENT FORMATION | | | | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. | | | | | | | |
| QEP Uinta Basin, Inc. hereby requests a 1 year extension on the GB 8ML-17-8-22. | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | Annr | oved by th | 10 | | | | |
| | | oved by the Division of | | | | | |
| | | as and Min | | | | | |
| | On, ac | as and will | 9 | | | | |
| | | | | | | | |
| | Date: 💍 | <u>4-10-6</u> | | | | | |
| $\mathcal{R} = \mathcal{R} = \{ \mathcal{N} \cap \mathcal{N} \} $ | | | | | | | |
| By: OPPY SENT TO OPERATOR | | | | | | | |
| | Date: 4.1.0 | | | | | | |
| | | J | | | The second control of the second | | |
| | | | | ³ * <u>.</u> | | | |
| NAME (PLEASE PRINT) Laura Bills TITLE Regulatory Assis | | | | | | | |
| A1110 PM 310 315 4/9/2007 | | | | | | | |

(This space for State use only)

RECEIVED APR 1 U 2007

Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

| The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. | | | | |
|---|--|--|--|--|
| Following is a checklist of some items related to the application, which should be verified. | | | | |
| If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes □ No ☑ | | | | |
| Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes□ No ☑ | | | | |
| Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑ | | | | |
| Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑ | | | | |
| Has the approved source of water for drilling changed? Yes□No☑ | | | | |
| Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑ | | | | |
| Is bonding still in place, which covers this proposed well? Yes ☑No□ | | | | |
| Signature Date | | | | |
| Title: REGULATORY ASSISTANT | | | | |
| Representing: QEP UINTA BASIN, INC. RECEIVED APR 1 U 2007 | | | | |

| Form 3160-5 UNITED STATES (November 1994) DEPARTMENT OF THE INTEDIOR | | | | FORM APPROVED OMB No. 1004-0135 | | | |
|--|--|--|--------------------------------|--|---|--|--|
| DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT | | | | Expires July 31, 1996 5. Lease Serial No. | | | |
| SUNDRY NOTICES AND REPORTS ON WELLS | | | | UTU-65276 | | | |
| Do not use this form for proposals to drill or reenter an | | | | | 6. If Indian, Allottee or Tribe Name | | |
| | | Use Form 3160-3 (APD) for | | | | | |
| | | | | | N/A | | |
| SUF | MIT IN TRIPLIC | ATE - Other Instruction | ons on reverse s | ide | 7. If Unit or CA/Agreement, Name and/or No. | | |
| | | | | | N/A | | |
| 1. Type of Well | | Other | | | 9 Wall Name | and No. | |
| Oil Well 2. Name of Operator | Gas Well | Other | | | 8. Well Name GB 8ML-17 | | |
| • | PLORATION & PR | ODUCTION CO C | ontact: Jan Nelson | | 9. API Well N | | |
| 3a. Address | 2010111011 0111 | | 3b. Phone No. (include | · | 43-047-379 | | |
| 11002 East 175 | 00 South, Vernal, | UT 84078 | 435-781-4331 | | 10. Field and Pool, or Exploratory Area | | |
| | - | 1., or Survey Description) | | | NATURAL I | | |
| 1850' FNL 462' | FEL, SENE, SEC | TION 17, T8S, R22E | | | 11. County or P | arish, State | |
| | | | | | UINTAH | | |
| 12 CHECK APPRO | OPRIATE BOX(ES) T | TO INDICATE NATURE OF N | OTICE REPORT OR | OTHER DATA | | • | |
| TYPE OF SUBN | | TYPE OF ACTION | OTICE, REPORT, OR | OTHERDATA | | | |
| Notice of Intent | | Acidize | Deepen | Production (S | Start/Resume) | Water Shut-Off | |
| | | Alter Casing | Fracture Treat | Reclamation | | Well Integrity | |
| ☐ Subsequent Repo | ort | Casing Repair | New Construction | Recomplete | | X Other | |
| | | Change Plans | Plug and Abandon | Temporarily | | APD EXTENSION | |
| ☐ Final Abandonm | ent Notice | Convert to Injection | Plug Back | Water Dispos | sal | | |
| If the proposal is Attach the Bond Following complet Testing has been | 13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days Following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) | | | | | | |
| Questar Explora | ition & Production | Co. hereby requests a 1 y | ear extension on t | he APD for the | GB 8ML-17- | -8-22. | |
| BLM APD appro | oval date: 10/27/20 | 006. | D | RECEIV AUG 3 1 2 IV. OF OIL, GAS | 007 | RECEIVED VERNAL FIELD OFFICE 2007 AUG 20 PM 4: 36 DEPT. OF THE INTERIOR BUREAU OF LAND MOMT. | |
| | | | | | | | |
| 14. I hereby certify th | at the foregoing is true ar | nd correct | | | | | |
| Name (Printed/Typed) | | | Title | | | | |
| Laura Bills Regulatory Affairs | | | | | | | |
| Signature | xua 1. | 2.00 | Date | | | | |
| <u> </u> | un L | <u>Lees</u> | August 20, 200 | | | | |
| | | THIS SPACE FO | OR FEDERAL OR STAT | E USE | | | |
| Approved by | | | Petrole | um Engi | neer | AUG 2 2 2007 | |
| • • • • | gal or equitable title to those | of this notice does not warrant or certify rights in the subject lease which would | Office | | | | |
| Title 18 U.S.C. Section 10 | 001, makes it a crime for any | person knowingly and willfully to make | to any department or agency of | of the United States any | false, fictitious or | | |
| fraudulent statements or re | epresentations as to any matte | er within its jurisdiction. | | | | | |
| (Instructions on reverse) | | | | | | | |

Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

| Well Name: Cocation: Company Pern | 1850' FNL 462' FEL | | |
|-----------------------------------|--------------------------------------|--|---|
| above, hereby v | verifies that the i | legal rights to drill or nformation as submit nains valid and does | |
| Following is a c verified. | hecklist of some | items related to the | application, which should be |
| | vate land, has th n updated? YesI | | d, if so, has the surface |
| | | ne vicinity of the prop nts for this location? Y | osed well which would affect ∕es⊡ No⊠ |
| | | r agreements put in p oposed well? Yes⊡I | blace that could affect the No ☑ |
| | | o the access route inc roposed location? Ye | cluding ownership, or right- es □ No ☑ |
| Has the approve | ed source of wat | er for drilling change | d? Yes□No⊠ |
| | e a change in pl | | e location or access route iscussed at the onsite |
| ls bonding still in | n place, which co | overs this proposed v | vell? Yes⊠No□ |
| Man | a Bill | Z | 8/20/2007 |
| Signature | | | Date |
| Title: REGULAT | ORY AFFAIRS | | |
| Representing: | Questar Exploration | n & Production Co. | _ |

CONDITIONS OF APPROVAL

QEP Uintah Basin, Inc.

Notice of Intent APD Extension

Lease:

UTU-65276

Well:

GB 8ML-17-8-22

Location:

SENE Sec 17-T8S-R22E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 10/27/08.

2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

| | • | - |
|--|---|-------|
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| | | |
| | | |
| | | |

| L | UTU-65276 | | | | | |
|--|--|---|--|--|--|---|
| SUNDRY | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | | | | |
| 7. UNIT or CA AGREEMENT NAME: | | | | | | |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | | | | | |
| TYPE OF WELL OIL WELL | GAS WELL OTHER | 8. WELL NAME and NUMBER: GB 8ML-17-8-22 | | | | |
| 2. NAME OF OPERATOR: | ALA PROPULITION OF | 9. API NUMBER: | | | | |
| QUESTAR EXPLORATION 3. ADDRESS OF OPERATOR: | N & PRODUCTION CO. | 4304737995 10. FIELD AND POOL, OR WILDCAT: | | | | |
| | VERNAL STATE UT ZIP 84078 (435) 781-4301 | NATURAL BUTTES | | | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1850' F | FNL 462' FEL | COUNTY: UINTAH | | | | |
| QTR/QTR, SECTION, TOWNSHIP, RANG | GE, MERIDIAN: SENE 17 8S 22E | STATE: UTAH | | | | |
| 11. CHECK APPR | ROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO | ORT, OR OTHER DATA | | | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | |
| ✓ NOTICE OF INTENT | ACIDIZE DEEPEN | REPERFORATE CURRENT FORMATION | | | | |
| (Submit in Duplicate) | ALTER CASING FRACTURE TREAT | SIDETRACK TO REPAIR WELL | | | | |
| Approximate date work will start: | CASING REPAIR NEW CONSTRUCTION OPERATOR CHANGE | TEMPORARILY ABANDON TUBING REPAIR | | | | |
| | CHANGE TO PREVIOUS PLANS OPERATOR CHANGE CHANGE TUBING PLUG AND ABANDON | VENT OR FLARE | | | | |
| SUBSEQUENT REPORT | CHANGE TOBING CHANGE WELL NAME PLUG BACK | WATER DISPOSAL | | | | |
| (Submit Original Form Only) | CHANGE WELL STATUS PRODUCTION (START/RESUME) | WATER SHUT-OFF | | | | |
| Date of work completion: | COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE | <u> </u> | | | | |
| | CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION | ✓ OTHER: APD EXTENSION | | | | |
| 12 DESCRIPE PROPOSED OF CO | | | | | | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. | | | | | | |
| Questar Exploration & Production Co. hereby requests a 1 year extension on the GB 8ML-17-8-22. | | | | | | |
| | | | | | | |
| | . It the | | | | | |
| | Approved by the Utah Division of | | | | | |
| | Utan Division of | | | | | |
| | Oil, Gas and Mining | | | | | |
| | | | | | | |
| | Date: 04-09-08 | | | | | |
| | | | | | | |
| By: COPY SENT TO OPERATOR | | | | | | |
| | | | | | | 7 |
| | | | | | | |
| NAME (PLEASE PRINT) Laura Bills | s _{TITLE} Associate Regul | atory Affairs Analyst | | | | |
| Pall | 12:14 | | | | | |
| SIGNATURE /////// | DATE 4/2/2008 | | | | | |

(This space for State use only)

Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

| API: 43-047-37995 Well Name: GB 8ML-17-8-22 Location: 1850' FNL 462' FEL, SENE, SEC. 17, T8S, R22E Company Permit Issued to: Questar Exploration & Production Co. Date Original Permit Issued: 4/17/2006 | | | | |
|---|--|--|--|--|
| The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. | | | | |
| Following is a checklist of some items related to the application, which should be verified. | | | | |
| If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes □ No ☑ | | | | |
| Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑ | | | | |
| Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes □ No ☑ | | | | |
| Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑ | | | | |
| Has the approved source of water for drilling changed? Yes□No☑ | | | | |
| Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑ | | | | |
| Is bonding still in place, which covers this proposed well? Yes ☑ No □ | | | | |
| Signature Date | | | | |
| Title: Associate Regulatory Affairs Analyst | | | | |
| Representing: Questar Exploration & Production Co. RECEIVE | | | | |

APR 0 7 2008 DIV. OF OIL, GAS & MINING



State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 30, 2008

Laura Bills QEP Uinta Basin Inc. 11002 East 17500 South Vernal, Utah 84078

Re: APD Rescinded – Glen Bench 8ML-17-8-22, Sec. 17, T. 8S, R. 22E

Uintah County, Utah API No. 43-047-37995

Dear Ms. Bills:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 17, 2006. On April 10, 2007 and on April 9, 2008, the Division granted a one-year APD extension. On October 30, 2008, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 30, 2008.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc: Well File

Bureau of Land Management, Vernal





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
http://www/blm.gov/ut/st/en/fo/vernal/html



IN REPLY REFER TO: 3160 LLUTG01100

December 31, 2008

Jan Nelson Questar Exploration & Production, Co. 11002 East 17500 South Vernal, UT 84078

43 047 37996

Re: Notice of Expiration

Well No. GB 8ML-17-8-22 SENE, Sec. 17, T8S, R22E Uintah County, Utah Lease No. UTU-65276

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on October 27, 2006. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until October 27, 2008. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

Cindy Sueson

Cindy Severson
Land Law Examiner

CC:

UDOGM

RECEIVED
JAN 1 4 2009

DIV. OF OIL, GAS & MINING